

Minorities Represent Growing Share of Tomorrow's Work Force

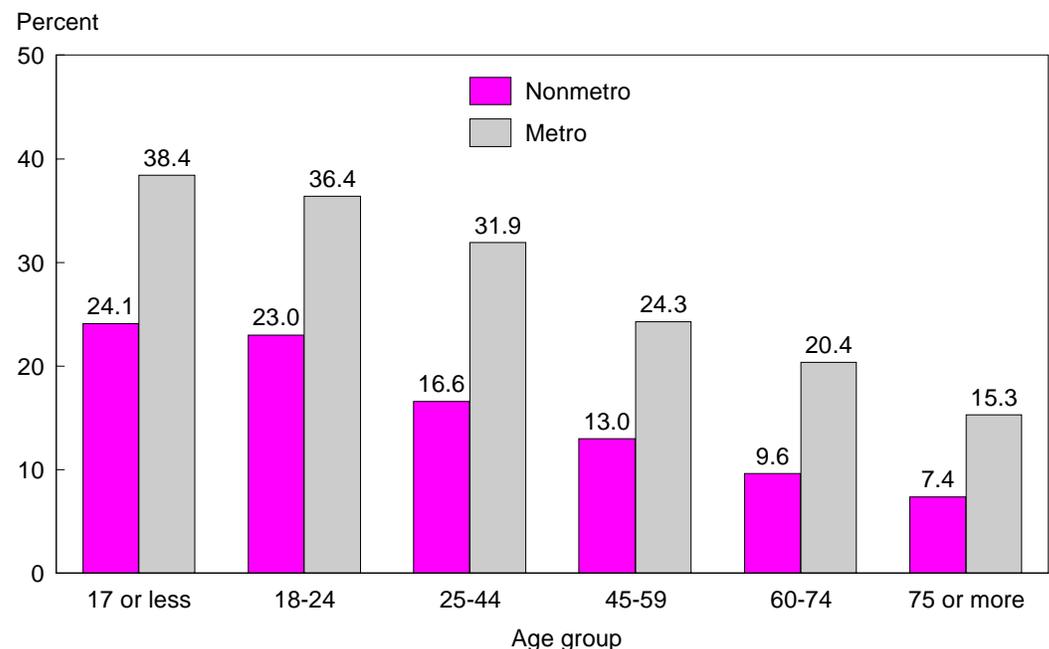
Minorities constitute an increasing proportion of the population, particularly among children and younger working-age adults. Although the proportion of minorities is lower in the rural population than in the urban population, specific minority groups are so concentrated in some rural regions that programs and policies affecting the current economic status of minorities are highly relevant there.

The question of race and ethnicity—and how it matters—is once again in the national limelight. Population projections for specific areas, particularly those with high levels of immigration, predict that in the next several decades the non-Hispanic White population will be in the minority (see p. 8 for definition of minority groups). Although the growth rate due to immigration has been fairly constant over the last decade, it does continue and predominantly involves younger age groups. The currently low birth rate among non-Hispanic Whites is offset by higher birth rates for minority groups, particularly among relatively recent immigrants. This assures a more even balance in the near future between working-age and retired adults than would be the case without minority young adults (fig. 1).

With some exceptions, minority groups have higher levels of poverty and unemployment and lower levels of education than nonminorities. Earlier work by ERS researchers, reported in 1996 in *Racial/Ethnic Minorities in Rural Areas: Progress and Stagnation, 1980-90* (AER-731), shows that while different minority groups have similar levels of poverty, the underlying causes are different, and these differences vary among men and women and younger and older members of the same group. In brief, Native American men were found to have extremely high rates of joblessness and little full-time work. Hispanic men are hampered by poor English ability and a concentration in agriculture—much more so than Hispanic women. Black men appear to face pay discrimination not found for other groups or for Black women. Assessing the economic status of specific minority groups, how it has changed over time, and whether and how it differs within that

Figure 1
Share of population that is minority,* by age group and metro/nonmetro residence, 1997

The future race/ethnic composition of the Nation can be seen in the younger age groups



*Includes everyone except non-Hispanic Whites.

Source: Calculated by ERS using data from the March 1997 Current Population Survey, Bureau of the Census.

group by age or gender provides information for policymakers to develop programs and enact legislation to address the situation, not only for the benefit of the targeted groups, but also for the Nation and its future well-being.

Many of the articles in this issue examine indicators of well-being to determine the current status of specific rural minority groups, as well as the status of the total population in areas where rural minorities are concentrated. This article focuses on the demographic characteristics of minorities and how these characteristics both affect and are affected by socioeconomic status.

Rural Minority Population Small but Highly Concentrated in Easily Identified Areas

Rural minorities are truly in the minority when taken as a percentage of the total rural population. Although minorities have been slowly increasing as a percentage of the rural population (up 3 percentage points between 1990 and 1997), they constituted 17 percent of all rural residents in 1997. However, specific minority groups are so concentrated in some rural regions that programs and policies affecting the economic status of minorities are highly relevant.

Most minorities, with the exception of Native Americans, live in urban areas. Based on the 1997 Current Population Survey, 42 percent of Native Americans, 15 percent of Blacks, 9 percent of Hispanics, and 5 percent of Asian and Pacific Islanders lived in rural areas. By comparison, 23 percent of Whites lived in rural areas.

As discussed in the next article, rural minorities are uniquely clustered geographically, largely because of reasons that stretch back many decades. While there is some regional clustering of urban minorities, the geographic concentration of rural minority groups is longstanding and shows remarkably little propensity to change. Nearly three-fourths of rural Blacks live in the South Atlantic and East South Central regions, nearly three-fourths of rural Hispanics live in the West South Central and Mountain regions (there has been movement to more northern counties within the Mountain region for Hispanics in the last decade), and more than two-thirds of rural Native Americans live in the West Central and Mountain regions. Only for Asian and Pacific Islanders is regional concentration (in the Pacific region) higher for urban than rural residents. Because of this pattern of rural geographic concentration, the socioeconomic status of a specific rural minority group is highly relevant in particular regions.

Demographic Characteristics Affect Socioeconomic Well-Being

As other articles in this issue show, rural minorities tend to have lower earnings among workers, higher unemployment, and higher poverty. Demographic characteristics of a minority group both affect and result from their economic and social status. Age structure and education combine as an indication of the level of employment a group might be able to enjoy. Higher numbers of people in a household, or families doubling up in the same household, can have both a cultural and “coping strategy” basis.

Children Are a High Proportion of the Rural Minority Population

The relatively high proportion of the population under 18 in all the rural minority groups indicates that there is a large pool of potential labor force entrants among minorities and that minorities have a sizable proportion of their own population to support. This is partly fueled in the rural Asian and Hispanic populations by the higher birth rates among recent immigrants. Well over a third of the populations of all four rural minority groups were under age 18 in 1997, compared with a fourth of the White population (table 1). The proportion in prime labor force ages between 25 and 44 is similar for all groups, including Whites.

Partly because of the younger age structure among minorities and the greater proportion of minority families with children, the percentage of rural minorities living in larger households in 1997 was greater than among Whites. The most common household size for rural Whites (at 29 percent) was two people. Ten percent lived alone. Three- and four-person households were the most common among rural Blacks; among Native Americans, the common house-

Table 1

Nonmetro racial/ethnic populations, by age, 1997*The relative youth of minority groups will boost the future labor force*

Age group	White	Black	Native American	Hispanic	Asian/ Pacific Islander
Percent					
17 or younger	25.0	36.4	39.3	40.0	43.9
18-24	8.7	12.9	11.6	12.7	9.2
25-44	28.7	26.6	25.9	29.3	27.0
45-59	17.5	13.4	14.1	10.7	11.7
60-74	13.5	7.6	7.2	5.7	6.4
75 and older	6.6	3.2	1.9	1.6	1.8
Thousands					
Population	43,458	4,877	888	2,789	488

Source: Calculated by ERS using data from the March 1997 Current Population Survey, Bureau of the Census.

hold sizes were those containing three, four, or five people; and among Asians and Hispanics, four- and five-person households were the norm. Only 4 percent of rural Hispanics lived alone.

Large family size is not the only reason for larger household sizes among minorities. For those with limited earnings power, combining resources in a single household is a coping strategy. In rural areas in 1997, about 12 percent of families headed by Blacks were not the primary family of the household (termed "sub-families"). Ten percent of Native American families and 9 percent of both Asian and Hispanic families were living as subfamilies. The comparable percentage for non-Hispanic rural Whites was 3 percent. Minority housing and issues of overcrowding will be covered in greater detail by the housing article in this issue.

The strategy of doubling up families in a household may also be due to the smaller percentage of families headed by a husband-wife couple for some minority groups. Increasing the number of adults in the household by combining families may allow the earner and home-manager roles to be efficiently filled for each family's benefit. In rural areas, 41 percent of Blacks and 48 percent of Native Americans lived in households headed by a husband-wife couple. The most common type of household headship besides a husband-wife couple was that of an unmarried woman (41 percent for Blacks and 28 percent for Native Americans). For the other three groups, Whites, Asians, and Hispanics, about 70 percent of their rural populations lived in husband-wife households.

Low Education and Employment Levels Characterize All Minority Groups Except Asians

Lower levels of education for those age 25 and over were common for all rural minority groups except Asians and Pacific Islanders (table 2). Education levels were particularly low for rural Hispanics, largely because of the low level of education among immigrants. In 1997, 53 percent of rural Hispanics lacked a high school diploma. Education levels for rural Blacks and Native Americans were not as low as for Hispanics, but were much lower than for Whites or Asians. Forty-one percent of Blacks and 32 percent of Native Americans lacked a high school diploma. At the other end of the extreme were Asians and Pacific Islanders, with only 18 percent lacking a high school diploma and 28 percent having a college degree or more. Only 16 percent of rural Whites have a college degree

Race and Ethnicity in Rural Areas

Table 2

Nonmetro racial/ethnic populations, by education, 1997

Low education is common for all minority groups except Asian/Pacific Islanders

Education level	White	Black	Native American	Hispanic	Asian/Pacific Islander
			Percent		
Less than high school	20.2	41.1	31.8	52.8	17.8
high school diploma	40.4	37.0	34.3	25.8	28.7
Some college or technical	23.4	15.7	25.9	15.9	25.7
College degree or more	16.0	6.2	8.0	5.5	27.8

Source: Calculated by ERS using data from the March 1997 Current Population Survey, Bureau of the Census.

or more. The diversity within the Asian and Pacific Islander group is shown in their range of education levels, with some of the more recent immigrant groups, such as the Hmong and Vietnamese, likely to have arrived in the United States with very little education.

Among those age 15 and over in 1997, unemployment was comparably high for rural Blacks (12 percent) and Native Americans (13 percent) in the labor force. Despite their low levels of education, Hispanics had a somewhat lower unemployment rate, at 9 percent. Asians were as likely as Hispanics to be unemployed (8 percent). Whites were the least likely to be unemployed, with a rate of 5 percent. (These figures are from March 1997. Annual averages for unemployment rates and total employment are available for Whites, Blacks, and Hispanics from 1973 to 1997, shown in appendix table 1).

All four rural minority groups had more than a fifth of their populations over age 16 who were not in the labor force for reasons other than disability or retirement. For rural Whites, that proportion was just over a tenth.

When those who are not employed (including those unemployed and those not in the labor force) last worked is one assessment of the severity of the lack of employment. Among rural Blacks or Native Americans who were not employed, about one-third of each group had not worked within the last year. Though the unemployment rate for rural Hispanics was lower and the sample size is small, the depth of lack of work appears to be greater. The overwhelming majority of rural Hispanics not employed had not worked within the last year.

Education and Employment Opportunities of Rural Minority Youth Should Be Addressed

The higher rates of unemployment and time out of the labor force show a level of disadvantage that does not bode well for the large segment of the future labor force that will be from minority groups. Children living in precarious economic conditions have additional challenges to doing well in school and remaining in school through high school graduation. The coping mechanisms of living with more people and families in the household are not sufficient to offset the effects of poverty and low education on the children in the house-

hold. Policies and programs targeted to improve living conditions and access to education and employment opportunities would make it easier for the youth in these groups to enter the labor force. The economic health of the country will be strongly affected by whether or not minorities are able to make a solid contribution to that economy. [*Linda L. Swanson, 202-694-5439, lswanson@econ.ag.gov*]